



United States
Department of
Agriculture

Outreach Programs

Background

The Farm Service Agency (FSA), an agency of the U.S. Department of Agriculture, administers farm commodity and conservation programs and makes operating and farm ownership loans to family farmers unable to obtain conventional credit.

FSA is committed to helping small farmers and farmers with limited resources, and to assuring equal access to its programs regardless of race or ethnic heritage.

The Agency's Outreach Program Staff works to inform all farmers about the programs and services available from the Agency. Its goal is to increase the participation of small family and limited resource farmers in FSA programs, with special emphasis on helping those who are socially disadvantaged or members of racial minority groups.

Barriers to the advancement of socially disadvantaged groups include the following:

- Racial and ethnic discrimination;
- Language barriers;
- Lack of education;
- Lack of financial resources;
- Cultural attitudes.

Socially disadvantaged farmers and ranchers are those belonging to the following groups:

- African-American
- American Indians and Alaskan Natives
- Asians and Pacific Islanders
- Hispanic
- Women

Through the Outreach Programs Staff, FSA:

- Helps limited resource and socially-disadvantaged family farmers and ranchers improve their incomes through better farm management and financial planning;
- Informs farmers and ranchers about programs and assistance available through FSA;
- Encourages the participation of limited resource and socially-disadvantaged farmers and ranchers in FSA programs;
- Assures that small family, limited resource, and socially disadvantaged farmers and ranchers participate fully in nominating and electing members of the FSA State and County Committees;

- Works with community-based organizations - - churches and social groups as well as 1862, 1890, and 1994 Land Grant colleges and universities, Hispanic Serving Institutions, Tribally Controlled Colleges, and other individuals and groups -- to provide technical assistance and training to limited resource and socially disadvantaged family farmers.

- Conducts Town Hall meetings in cooperation with other USDA Agencies to provide information and assistance to farmers, including limited resource and socially disadvantaged farmers and small family farmers.

Programs and assistance available from the Farm Service Agency include:

Farm Loans

FSA offers both direct and guaranteed loans to family farmers who are unable to obtain credit elsewhere.

- **Direct Loans** are available to family farmers for both operating and farm ownership purposes. Loans can also be made to farm youth and beginning farmers. These loans are made and serviced by FSA officials, who also provide financial counseling and farm management assistance to the borrower. Special loan assistance is available to limited resource and socially disadvantaged family farmers. All applicants must be able to show they have the ability to repay the loan.

- **Guaranteed Loans** are made and serviced by a local lender. FSA guarantees repayment of the loan to the lender up to a maximum of 90 percent. FSA must approve all loan guarantees, and the loans must be fully secured with liens or other security instruments.

Conservation Programs

FSA administers the Conservation Reserve Program (CRP), which protects fragile farmland by encouraging farmers to stop growing crops on highly erodible and environmentally sensitive acreage.

In return for planting sensitive land with grass or trees, farmers receive an annual rental payment for the term of the multi-year contract. FSA also works with the Natural Resources Conservation Service and other partner Agencies to deliver to farmers other conservation programs such as the new Environmental Quality Incentives Program (EQIP).

Commodity Loan Programs

FSA finances commodity loan programs through the Commodity Credit Corporation (CCC), a government entity for which FSA provides operating personnel. The CCC supports the prices of commodities through loans, payments, and other operations. Its activities help stabilize farm income, balance supply and demand, and provide farmers with interim credit at harvest time.

FSA administers commodity loan programs for wheat, rice, rye, grain sorghum, barley, oats, oilseeds, tobacco, peanuts, upland and extra long staple cotton, and sugar. Participants enter into Production Flexibility Contracts with the CCC.

CCC Commodity Loans

FSA makes CCC commodity loans to eligible farmers on field crops using the stored crop as collateral. Loan rates are designed to keep the products competitive. These loans are "non-recourse," which means that a producer can forfeit or deliver the crop to the government as payment in full. They are available to any producer who has entered into a Production Flexibility Contract.

Commodity Purchase Programs

Under the Dairy Price Support Program, the CCC buys surplus butter, cheese and nonfat dry milk from processors at announced prices to support the price of milk. These purchases help maintain market prices at the legislated support level. The 1996 Farm Act eliminates dairy price support after December 31.

Where to Go for More Information

Further information about FSA programs and outreach efforts is available from your local FSA county office. These are usually listed in telephone directories under United States Government, U.S. Department of Agriculture.

Or . . . you may obtain information on Outreach by contacting the following:

Director
Outreach Programs Staff
Ag Box 0511 Suite 508
1250 Maryland Avenue, SW
Washington, DC 20250
Telephone (202) 690-1098

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